

SECRET

DPS-6321
Copy 2 of 3
18 December 1958

Westinghouse Electric Corporation
Baltimore 3, Maryland

Attention:
Sales Engineer

Subject : Contract No. FL-3011
McMillan Industrial Corp.

Gentlemen:

We, as well as our Project Engineer, have reviewed your letter of October 15, 1958 wherein you ask for relief for the subject subcontractor.

We feel that this overrun against a fixed price contract is not allowable since the cost was caused by the necessity to rework defective equipment which did not meet contract specifications. The Project Engineer states that there was no increase in scope of work or promise of financial relief.

Very truly yours,

Contracting Officer

Distribution:

Orig -

2 - FL-3011 w/DPS-6294 - Price Redetermination File
Item 12 Term.

3 - Chrono, RI

DPS/DCI lmw (18 Dec 58)

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DPS-6294
Copy 1 of 3

15 December 1958

25X1 MEMORANDUM FOR: [] Project Engineer

SUBJECT : Contract No. FL-3011 Westinghouse Electric Corp.

1. We are in the process of determining the final price for the subject contract. The contractor has asked that an increase of \$5008.74 be allowed in their final claim and in turn they will then give relief to their sub-contractor Mc Millan Industrial Corp.

2. Enclosed is the Contractor's letter date October 15, 1958 (DPS-5093) for your review and comments as to whether the additional amount should be allowed. Please advise and return the enclosure.

25X1 DPS/DCI [] arp

25X1 Distr.

25X1 Orig. - [] w/cy 1 of DPS-5093

2. - FL-3011 A&I

3. - Chrono

25X1 *This over-run was caused by the necessity to rework defective equipment not acceptable for use on the project there was no increase in scope or promise of financial relief.*

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